

## **British Columbia Comments – West-Wide Governance Pathway Initiative**

- 1. The design of Phase 1 is being facilitated outside of any existing organization or decision-making process. What pros and cons do you see to continuing this approach in Phase 1? If you see challenges inherent in this approach, what solutions do you recommend?**

As this initiative is occurring outside an existing organization and decision-making process, it is important that whoever is leading this work create a process that is truly open, transparent, impartial, and inclusive. To that end, prior to moving to the next step, we strongly encourage the organizers to identify which state / provinces are leading the initiative, the source of any funding received to date, and how decisions will be made with respect to a proposed governance structure. The organizers should provide minutes of any meetings to further the initiative while also making public all comments received in this initial and limited consultation.

- 2. What is most important to you about the structure and process for Phase 1? What solutions would you propose to address your structure and process-related priorities for Phase 1?**

As a number of states and the provinces were left out of the original effort and only a handful of states signed the original letter, the governance that defines the group's decision making is not clear.

Moreover, the organizers need to articulate whether the proposed initiative will:

- address the issue of independent governance, including the governance of the entity(s) providing market services and market monitoring;
- be the only model considered;
- deliver its stated objective and whether it is feasible under current federal/state legislation; and
- strive to provide incremental value to all western regions and ratepayers compared to alternative emerging market constructs.

- 3. What do you like about the brief description of the Phase 1 scope and what would you change in the Phase 1 scope? Please provide your reasoning for any changes you propose.**

The approach outlined by the Western regulators' letter (dated 14 July 2023) and further detailed in the Phase 1 document was developed without broad input from Western regulators, energy offices and stakeholders. The West Wide Governance Pathway initiative should take an inclusive approach with respect to stakeholder engagement, and also with its proposed scope. In particular, the Phase 1 scope could be expanded to consider a second potential approach to achieving a single west-wide market, which would:

- Start from a day ahead and real-time market platform that has not been developed under a governance framework that lacks independence; and
- Utilize a market operator and market monitor that already has an independent governance framework.

- 4. What stakeholder engagement model do you believe is best suited to simultaneously enable:**
- a. broad stakeholder involvement in Phase 1 and future phases; and**
  - b. an ability to efficiently move through the work that must be completed in each of those phases?**

As stated by the California Senate Energy and Utilities Committee in its August 29<sup>th</sup> meeting, it is critical that this process involves significant public and stakeholder engagement. Engagement is not meaningful if the key aspects of the initiative are determined without broad stakeholder input. The organizers should look to other market initiative processes as examples of the depth and breadth of consultation that is required; the level of stakeholder engagement should not be sacrificed to achieve efficient movement through the work.

B.C. notes that despite assurances in the document that there is a commitment to open, transparent engagement, not all the Western state/provincial energy offices were provided with a copy of the Overview and Questions for Stakeholders document nor is it clear with whom they should engage to ensure that their energy office is included in the future.